

## **FINANCE COMMITTEE REPORT**

August 6, 2015

A Finance Committee meeting was held Thursday, August 6, 2015, at 6:00 p.m. in the County Administration Building, Quorum Court Meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: JP's Allen, Moore, Jones, Easley, Slinkard, Moehring  
Absent: JP Chiocco

Others Present: JP's Meyers, Leadabrand, Anglin, Sandlin, Adams, and J. Harrison, County Judge Bob Clinard, Assessor Linda Hambrick, Circuit Judge Doug Schrantz, Prosecuting Attorney Nathan Smith, Administrator of General Services John Sudduth, Administrator of Public Safety Marshal Watson, Director of Information Technology Eddie Mahar, Comptroller Brenda Guenther, County Attorney George Spence, Human Resources Manager Barbara Ludwig, Major Shawn Holloway

Media: Amye Buckley

### **PUBLIC COMMENTS**

Debbie Materi and Monte Harris spoke against the possible removal of the historic 1935 courthouse and advocated for it to be saved and placed on the National Historic Register.

Michael McColley, attorney for Samaritan Ambulance Service, announced that Samaritan's Vice-President for Business Affairs Brett Selvidge would be available to answer questions about his company's services during the discussion portion of the meeting.

### **PRESENTATION/DISCUSSION**

#### **Personnel - Longevity Pay/Fair Standard Labor Act Update**

Human Resources Manager Barbara Ludwig stated that she was asked by the elected officials to look at salary structure, as employees are not currently able to move through salary ranges due to stagnation and compression at the bottom end. She said that the reasons are inconsistency in merit raises and the range always being increased by the cost of living. JP Moore suggested step increasing the range like the public schools do.

Barbara Ludwig then offered two potential solutions to the problem. One was to award merit on a regular basis but she stated that merit has not always been guaranteed. Another solution would be to implement a system of longevity but it would have to be offered consistently. It would cost about \$183,000 a year to catch up and approximately \$61,000 each year after that.

JP Leadabrand stated that a \$250 increase for the entire year is not a shocking amount to be added.

The stagnation issue was discussed as well as low morale and turnover rate.

JP Allen requested turnover data to be reported at the next Finance Committee meeting, and suggested trading off benefits. Barbara Ludwig stated that this is one that the elected officials supported and that it would fix the issue of not moving through the salary ranges.

JP Moore requested a simple step increase coupled with merit for the next Finance Committee meeting. JP Slinkard requested to know how many employees are in each grade and where they are in the grade range and this was discussed. Barbara Ludwig said she would have the information for the next Finance Committee meeting.

Barbara Ludwig began the second portion of her presentation regarding the Fair Standards Labor Act which would raise the minimum of who can be salaried, and its impact on the budget was discussed. This uses a national standard and she feels that this discriminates against states with lower costs of living and market salaries.

#### **Planning Department – Temporary Use Permit Request from Legislative Committee**

Administrator of General Services John Sudduth asked that a previous request to have the TUPs reviewed be formally dropped due to a typo that has already been corrected.

JP Moehring made motion to drop this request, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

#### **Assessor – Budget Reallocations**

Assessor Linda Hambrick stated that \$8,200 needs to be reallocated from Machinery & Equipment to be used to purchase a vehicle from 9-1-1 Administration that they are not currently using.

Motion made by JP Moehring to forward to the August 11, 2015 Committee of the Whole, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Linda Hambrick stated that she has funds in other areas that she needs to reuse. She would like to put all personal and commercial real estate information on a separate server to be kept in one of the Assessor's offices so that issues can be addressed in a more expedient manner. She is not requesting additional funds as she has the money in her budget, but is just informing the committee what needs to be done.

Comptroller Brenda Guenther stated that an appropriation ordinance would not be needed, as the funds are in the budget, and are being moved within the category.

JP Allen suggested a motion to forward approval of the reallocation to the August 11, 2015 Committee of the Whole, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

#### **Ambulance Service for SE Quadrant of Benton County – Forwarded from Public Safety Committee**

Executive Director of Mercy Health System Bob Patterson stated that they have reduced their original figures by eliminating an operations manager position, and have reduced the estimated call volume in the Southeast part of the county. Administrator of Public Safety Marshal Watson fielded questions regarding the purchase of two ambulances. The original figures will be reduced from \$686,000 to \$466,000 for the first year.

Numbers of transports, volume of calls and availability of equipment and personnel was discussed.

Brett Selvidge from the Samaritan Ambulance Service of Oklahoma stated that they were not provided an opportunity to respond to the Request for Qualifications (RFQ). He said that they can provide services significantly cheaper than the bids already received.

JP Allen stated that he does not recall an email being sent from Samaritan Ambulance Service but, regardless of that, Samaritan Ambulance Service did indeed have the opportunity to respond to the RFQ. Brett Selvidge reiterated that he had no opportunity to respond but, nevertheless, he insisted that they can perform the service significantly cheaper than the other offers. They will not require the county to purchase equipment or provide personnel.

JP Moore stated that he is trying to think of a legal way to entertain this offer since everyone else has already made their offers. County Attorney George Spence stated the court has declared by resolution that ambulance service is a professional service, so if they want to repeal that resolution and no longer consider it to be a professional service, the process to follow after that is done would be to send it out to bid. He explained that companies are asked to submit their qualifications and, in doing the selections, price is not to be considered. The qualifications are evaluated based on the county's needs and, only then, is the contract and price negotiated. If a satisfactory contract cannot be negotiated with the first choice, it goes to the second, then the third, etc. and, if a contract cannot be negotiated with any of them, the process begins again. So if an agreement cannot be reached with Mercy, or the county does not have the money, then the process can be started over.

JP Adams recommended that they stay the course for 2016 and get the Southeast corridor taken care of and then open up bids for 2017. George Spence stated that the resolution requiring ambulance services to be professional services must be repealed before bids can be accepted.

JP Easley left the meeting at 7:43pm.

Bob Patterson discussed Mercy's proposed contract. Administrator of Public Safety Marshal Watson discussed the bids and the responses received. The necessity of having a second ambulance was also discussed. The Southeastern corridor ambulance situation was discussed at length as well as the timeframes to get the respective county and Mercy options up and running.

JP Anglin expressed concern about the money required for going with Mercy and stated that Samaritan Ambulance Service needs to be investigated. She also said that she is concerned that there might not be an ambulance by January 2016.

JP Allen expressed concerned that Mercy may lose trust and walk and he does not want to be a party to that.

JP Jones questioned if the overall consensus seems to be to go with the county or Mercy for 2016 and then open it up for all bids in 2017.

Discussion was held regarding costs that will need to be covered in 2015 for an ambulance license and other expenditures, and the 2016 budget impact. Marc Trollinger stated that the license is strictly for the ambulance service itself, and both ambulances will have to be licensed.

JP Jones suggested moving forward with the \$235,000 needed for the current year even though there is no general consensus on whether to go with the county or Mercy, as the funds will be needed for the ambulance regardless of which option is chosen.

JP Allen recommended a motion to ask Judge Clinard and his staff to work with Bob Patterson to negotiate a suitable contract and bring it to the Committee of the Whole.

JP Moore made the motion, JP Jones seconded.

JP Moehring expressed concern about the way in which the bidding process played out and the costs involved with the Mercy option.

JP Allen stated that he felt that the RFQ process was handled properly and that there was ample opportunity for Samaritan Ambulance Service and others to respond.

JP Adams feels that one day Benton County will have its own ambulance service but now is not the time to jump in. He said he would support the Mercy option for 2016, providing that an agreement can be reached between Judge Clinard and Mercy.

Motion passed: 3 votes in favor: Moore, Allen, Jones  
2 votes against: Moehring, Slinkard.

### **Courthouse Facilities – Bracketed Budget**

County Judge Bob Clinard stated that as requested, he has put together a budget for four different options that have previously been discussed, with the primary focus on the downtown option since that is the court's preferred option.

The first plan he discussed was the G-2 plan. In this plan, \$32.8 million was the estimate which included \$8.9 million to rehab the old courthouse, leaving it as a criminal court with secure elevators and hallways. This also includes the finished out full height of that G2 plan. This option is expected to come down in price significantly, and will not be any more than \$8.9 million. He suggested an RFQ for an architect to do a code analysis on attaching an 80-year-old building to a new building. This also includes \$1.8 million to rehab the old annex. He thinks that figure is low but it is yet to be determined. The second plan he discussed is a modified G-2 plan, which takes the \$8.9 million down to \$1 million. He believes that \$23.85 million is too low for the modified G-2 plan and it will almost certainly have to come up. It will need to be determined what the old courthouse will be used for. Judge Clinard believes that the Public Safety Committee will need to discuss what that purpose is going to be.

He said the third option is the Highway 102 plan, which would be much easier to budget since it is a free standing building.

The last option would be an all new courts facility which would involve demolishing the old annex. This is the scenario for a free standing building with everything in the same building. This comes to \$33 million dollars with an extra \$3.7 million to add an extra floor for addition expansion. The bracket for all of the plans is \$24 to \$37 million, and Judge Clinard believes that the cost will probably end up somewhere in the middle. The safety and security of the different plans was discussed by the committee.

JP Leadabrand stated that the cost of transport from the jail to the courthouse should be included. Judge Clinard estimated this to be about \$50,000 to \$60,000 per year.

JP Anglin supported keeping the old annex building and expressed concerns about the Circuit Clerk's security needs.

JP Adams stated that he does not want public access to be eliminated if the Circuit Clerk is moved. He suggested adding additional stories to the proposed new building so that the old courthouse will only be used for historical purposes. Judge Clinard stated that there are many options, so long as the county stays within the proposed budget parameters. JP Jones thanked Judge Clinard for providing the bracket and suggested a special meeting to discuss the different options. Hight-Jackson Architect Gary Jackson said that the historical courthouse annex was not intended for use as a courtroom; it was intended for overflow. He said he would like an opportunity to present the G2 plan because it has been modified. The firewall between the annex and the new building is a requirement but he is not sure if it can be a part of the old building or the new building and this is yet to be determined. In the historical courthouse

renovation, there is a \$2.5 million cost to renovate the upper floors with proper heat and air as they do not currently meet the code. He stated that an architect and engineer need to be hired to get firm numbers on what the renovations would cost and reminded the committee that the G2 Plan was done on the basis of trying to utilize the existing facilities to lower the cost to the public.

### **IT Update – Technology for Sheriff Department**

Director of Information Technology Eddie Mahar and Major Shawn Holloway discussed the mobile computers used in the sheriff department's cars. They are currently using laptops that were never meant to be used in cars. Major Holloway explained that using computers for calls keeps radio traffic down, so that the radio can be more readily available for emergencies. Eddie Mahar said that fifty-six units are needed; many are currently inoperable or in poor condition.

Major Holloway stated that this represents a safety issue for the deputies as well as a security issue because radio communication has the potential to be overheard.

JP Leadabrand left the meeting at 8:49pm.

Major Holloway noted that these items were formerly bought out of the Communication and Radio Fund but the previous Sheriff gave the money back to the General Fund before leaving office. He said there needs to be a line item added back into the budget for replacement of this type of equipment.

He said the cost is \$3,700 each, and they are requesting sixty units for a total of \$225,000 plus tax. Comptroller Brenda Guenther would like to see the Communication Fund funded and used for this type of equipment.

JP Adams agreed that officer safety is critical and suggested that they be replaced now and to adjust the budget for 2016 from some other line items to adjust for the half of them that need immediate replacing.

JP Jones made motion to approve the budget for thirty of the units and move it to Committee of the Whole with specific numbers to be presented, and requested that this information then be presented to the Budget Committee to be put into the budget for 2016, JP Moehring seconded.

JP Moore amended the motion to purchase all sixty of the units needed and, therefore, it would not need to move on to the Budget Committee for 2016, JP Slinkard seconded.

Motion passed by a unanimous show of hands vote.

### **ORDINANCE REQUESTS**

Comptroller Brenda Guenther presented the first ordinance request for grant revenue and associated expenses for the Juvenile Detention Alternative Initiative travel grant.

JP Allen made motion to approve and forward to the August 11, 2015 Committee of the Whole agenda, seconded by JP Moore.

Motion passed by unanimous show of hands vote.

Brenda Guenther presented an appropriation ordinance request to appropriate \$94,250 for the jail addition architect fees project. An RFQ for the information was approved by the Finance Committee in April. County Judge Bob Clinard explained that this is for the expansion of F-pod which will be forty

additional misdemeanor beds and H-pod which will be twelve maximum security beds. He said they will also do a limited feasibility study on future expansion of the jail. He estimated that this number is about half of the original proposal. JP Jones inquired about the timeframe to receive the information back on the expansions and the feasibility study and County Judge Bob Clinard stated that it will be between 90 to 120 days.

JP Jones made motion to approve and forward to the August 11, 2015 Committee of the Whole agenda, seconded by JP Moore.

Motion passed by unanimous show of hands vote

JP Allen called a special Finance Committee meeting for Monday, August 10<sup>th</sup>, 2015 at 6:00 p.m. to go over the rest of the agenda and the funding options on the new court facility. He stated that he will ask Gary Jackson to present the G2 plan to the August 11, 2015 Committee of the Whole.

Meeting adjourned at 9:30 p.m.